

**EMPLOYEES' RETIREMENT SYSTEM OF THE
COUNTY OF MILWAUKEE**

**ACTUARIAL VALUATION
JANUARY 1, 2006**

July 14, 2006

The Retirement Board
Employees' Retirement System of the
County of Milwaukee
901 N. 9th St.
Milwaukee, WI 53233

Ladies and Gentlemen:

This report presents the results of the annual actuarial valuation of the Employees' Retirement System of the County of Milwaukee as of January 1, 2006. The valuation takes into account all of the promised benefits to which members are entitled as of January 1, 2006, including pension and survivor benefits; and as required by the Retirement Code is the basis for the Budget Contribution for fiscal year 2007.

The valuation was based on the actuarial assumptions and methods as adopted by the Board of Trustees, including a valuation interest rate of 8% per annum compounded annually and a backdrop utilization assumption of 70%.

Assets and Membership Data

The Retirement System reported the individual data for members of the System as of the valuation date to the actuary. While we did not verify the data at their source, we did perform tests for internal consistency and reasonableness. The amount of assets in the trust fund taken into account in the valuation was based on statements prepared for us by the Retirement System.

Funding Adequacy

The 2005 valuation performed last year resulted in an Actual Funding Contribution of \$37,607,940, against which \$35,417,066 was actually contributed. The shortfall of \$2,190,874 is amortized over five years.

The Actual Funding Contribution for 2006, based on the results of this valuation, is \$46,929,347. It is expected that \$27,442,000 will be contributed during 2007 on behalf of the 2006 plan year. The shortfall of \$19,487,347 will be amortized over five years.

The Retirement Board
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Budget Contribution

The 2007 Budget Contribution, expected to be contributed in 2008, is \$59,015,000.

Financial Results and Membership Data

Detailed summaries of the financial results of the valuation and membership data used in preparing the valuation are shown in the valuation report. The actuary prepared supporting schedules and required supplementary information included in the County of Milwaukee Annual Report of the Pension Board.

Qualified actuaries completed the valuation in accordance with accepted actuarial procedures as prescribed by the Actuarial Standards Board. The qualified actuaries are members of the American Academy of Actuaries and are experienced in performing actuarial valuations of public employee retirement systems. To the best of our knowledge, this report is complete and accurate and has been prepared in accordance with generally accepted actuarial principles and practice.

Respectfully submitted,

Kim M. Nicholl, F.S.A.
Principal, Consulting Actuary

Matthew A. Strom, F.S.A.
Senior Consultant

KMN/MAS:pl

EMPLOYEES' RETIREMENT SYSTEM OF THE COUNTY OF MILWAUKEE

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Executive Summary

This report presents the actuarial valuation as of January 1, 2006 for the Employees' Retirement System of the County of Milwaukee. The principal valuation results include:

- The Actual Funding Contribution for fiscal year 2006, which is \$46,929,347.
- The Annual Required Contribution for fiscal year 2006 in accordance with GASB requirements, which is \$52,638,196.
- The Budget Contribution for fiscal year 2007, which is \$59,015,000.
- The total funded ratio of the plan determined as of January 1, 2006, which is 76.2% based on the accrued liability and the actuarial value of assets.
- The determination of the actuarial gain or loss as of January 1, 2006, which is a gain of \$12,975,497.
- Annual disclosure as of January 1, 2006 as required by Statement No. 25 of the Governmental Accounting Standards Board.

The valuation was based on membership and financial data submitted by the Retirement System.

Changes Since Last Year

Legislative and Administrative Changes

There were no legislative or administrative changes since the prior valuation.

The benefit provisions and contribution provisions are summarized in Table 16.

Actuarial Assumptions and Methods

For 2006, the assumed rate of investment return decreased from 8½% to 8% and the backdrop utilization assumption increased from 50% to 70%. For purposes of determining the 2007 Budget Contribution, the Pension Board adopted the following assumption changes: lower the payroll growth assumption from 5½% to 3½%; change the disability assumption from assuming that 100% of disabilities are Ordinary to 25% Ordinary and 75% Accidental for represented employees, and 95% Ordinary and 5% Accidental for non-represented employees.

The actuarial assumptions and methods are outlined in Table 15.

Contribution Amounts

The results of the valuation as of January 1, 2006 determine the Actual Funding Contribution and Annual Required Contribution for fiscal year 2006 and the Budget Contribution for fiscal year 2007. The Actual Funding Contribution based on 5.5% payroll growth for fiscal year 2006 is \$46,929,347. The Annual Required Contribution for GASB 25 disclosure based on 3.5% payroll growth is \$52,638,196. The Budget Contribution for fiscal year 2007 is \$59,015,000. For determining the 2006 Budget Contribution, the investment return assumption was lowered to 8% and the backdrop utilization assumption was increased to 70%. The actual 2006 contributions and budgeted 2007 contribution were based on these changed assumptions and participant data as of January 1, 2006.

Reasons for Change in Budget Contribution Calculated by the Actuary

The Budget Contribution calculated by the actuary increased from \$45,933,000 for fiscal year 2006 to \$59,015,000 for fiscal year 2007. A reconciliation of the increase of \$13,082,000 is shown in the following table:

Item	Amount
1. 2006 Budget Contribution	\$ 45,933,000
2. Increase / (Decrease) during 2005 due to	
a. Unanticipated liability loss (gain)	\$ 791,000
b. Asset experience other than expected	5,000
c. 2005 reimbursable expenses other than assumed	(4,000)
d. 2005 contribution variance other than assumed	614,000
e. Full recognition of bases other than assumed	-
f. Other, including change in actuary and programming	(410,000)
g. Total	<u>996,000</u>
3. 2006 Actual Contribution: (1 + 2)	\$ 46,929,000
4. Expected Increase / (Decrease) during 2006 due to	
a. Normal cost and existing amortization schedule	\$ 2,510,000
b. Phase-in of deferred asset (gains) losses	(2,340,000)
c. Amortization of 2006 reimbursable expenses	149,000
d. Expected contribution variance for 2006	4,880,000
e. Full recognition of 1996 reimbursable expenses	(105,000)
f. Increase due to assumption changes	6,992,000
g. Total	<u>12,086,000</u>
5. 2007 Budget Contribution: (3 + 4)	\$ 59,015,000

Summary of Principal Results

Summarized below are the principal financial results for the Employees' Retirement System of the County of Milwaukee based upon the actuarial valuation as of January 1, 2006. Comparable results from the January 1, 2005 valuation (as calculated by Mercer Human Resource Consulting) are also shown.

Item	January 1, 2006	January 1, 2005
Demographics		
<u>Active Members</u>		
• Number	5,056	4,980
• Average Annual Pay	\$ 44,644	\$ 42,128
<u>Inactive Members</u>		
• Members Receiving Benefits		
• Number	7,275	7,299
• Average Annual Benefit Payment	\$ 17,056	\$ 16,591
• Members With Deferred Benefits		
• Number	1,399	1,430
• Average Annual Benefit Payment	\$ 7,570	\$ 7,568
Actual Funding Contribution		
	(Fiscal Year 2006)	(Fiscal Year 2005)
• Normal Cost with Interest	\$ 22,622,593	\$ 18,184,797
• Net Amortization Payments	<u>24,306,754</u>	<u>19,423,143</u>
• Total Contribution	\$ 46,929,347	\$ 37,607,940
Actuarial Funded Status		
• Accrued Liability	\$ 1,909,321,282	\$ 1,782,883,932
• Actuarial Value of Assets	<u>1,454,301,600</u>	<u>1,424,917,604</u>
• Unfunded Accrued Liability	\$ 455,019,682	\$ 357,966,328
• Funded Ratio	76.2 %	79.9 %

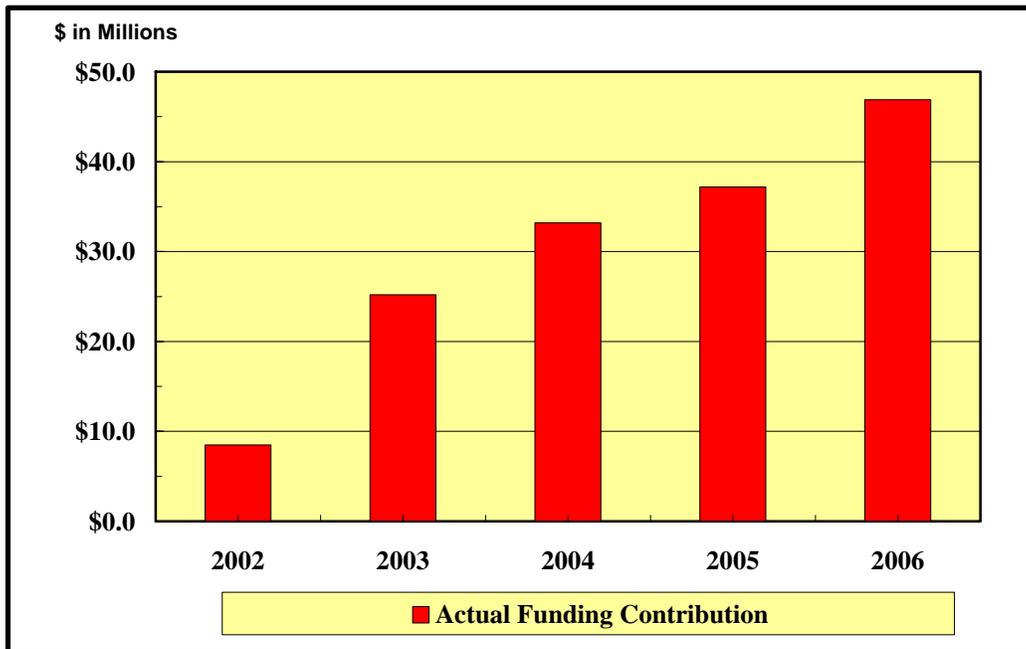
Five-Year History of Principal Financial Results

Five-Year History of Contribution Amounts

Valuation as of January 1	Actual Funding Contributions		
	Normal Cost with Interest	Net Amortization Payments	Total
2006	\$ 22,622,593	\$ 24,306,754	\$ 46,929,347
2005	18,184,797	19,423,143	37,607,940
2004	20,146,407	13,101,797	33,248,204
2003	18,722,702	6,519,623	25,242,325
2002	19,600,618	(11,072,141)	8,528,477

The following chart shows a five-year history of employer contribution amounts:

Five-Year History of Actual Funding Contributions



Funded Ratio

The financing objective of the System is to:

- Fully fund all current costs based on the normal contribution rate determined under the funding method; and
- Liquidate the unfunded accrued liability based on the amortization schedules as required by the retirement code, i.e., a schedule of 5, 10, or 30 years for each change in the unfunded accrued liability according to Section 3.1.

The total Actual Funding Contribution of \$46,929,347, when taken together with the contributions payable by the members and asset returns, is the amount sufficient to achieve the financing objective for 2006.

The System's total funded ratio on the funding basis is measured by comparing the actuarial value of assets (based on a 5-year moving average market value) with the accrued liability. The accrued liability for pensions is the present value of benefits accumulated to date under the System's funding method and reflects future pay increases for active employees.

On this basis, the System's funded ratio is 76.2% as of January 1, 2006. This funded ratio is based on an actuarial value of assets of \$1,454,301,600 and an accrued liability of \$1,909,321,282.

Reasons for Change in the Total Funded Ratio

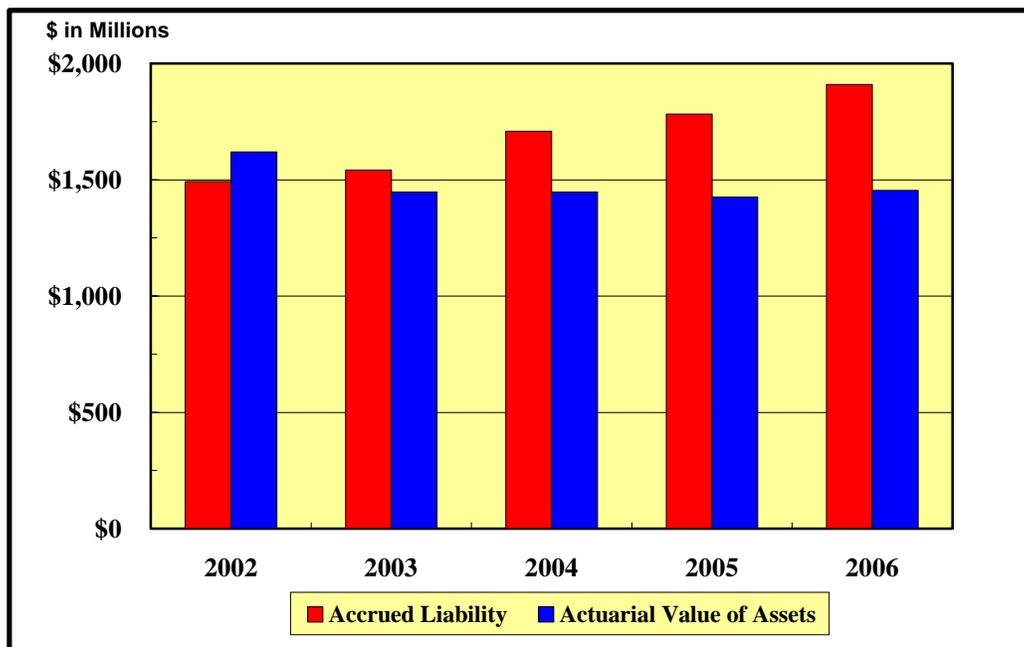
The total funded ratio decreased from 79.9% as of January 1, 2005 to 76.2% as of January 1, 2006. The decrease is due to the net effect of investment return, assumption changes and experience gains and losses.

Five-Year History of Total Funded Ratio
(\$ Amounts in Thousands)

Valuation as of January 1	Accrued Liability	Actuarial Value of Assets	Unfunded Accrued Liability	Funded Ratio
2006	\$ 1,909,321	\$ 1,454,302	\$ 455,020	76.2%
2005	1,782,884	1,424,918	357,966	79.9
2004	1,707,999	1,446,726	261,273	84.7
2003	1,542,045	1,446,860	95,185	93.8
2002	1,492,072	1,620,157	(128,086)	108.6

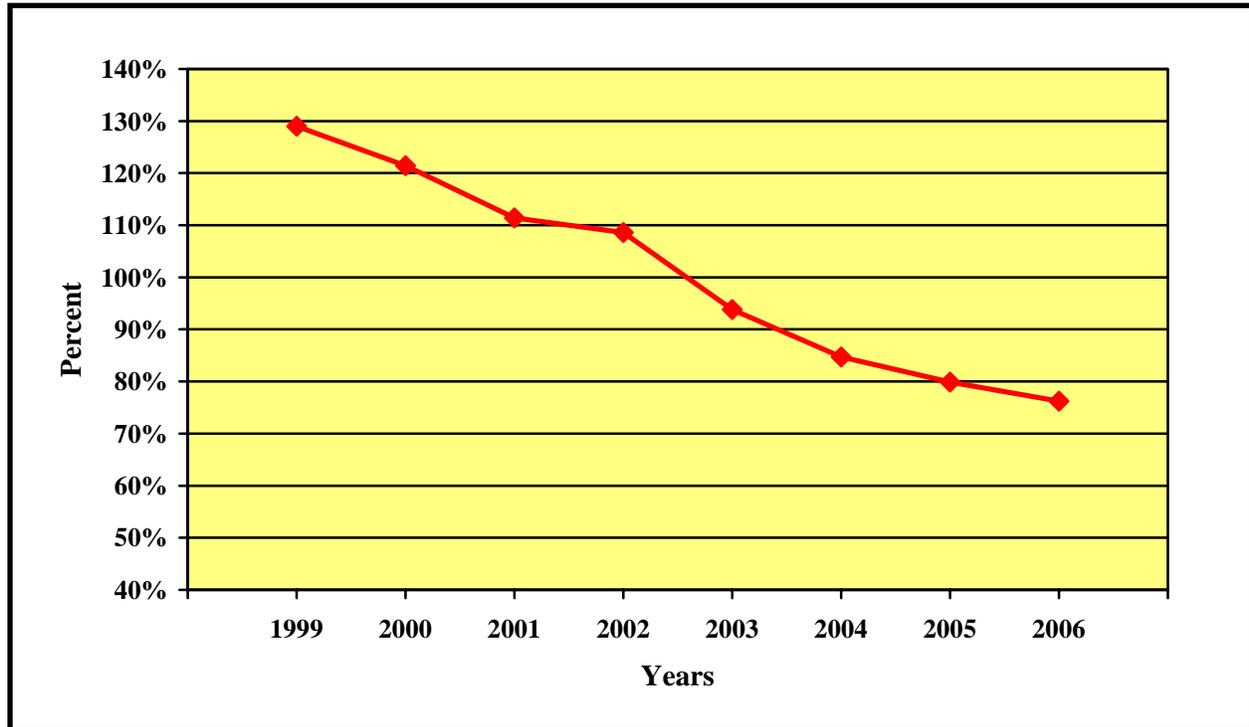
The following chart shows a five-year history of the accrued liability and the actuarial value of assets:

Five-Year History of Accrued Liability and Actuarial Value of Assets



The following chart shows an eight-year history of the total funded ratio:

**Eight-Year History of Total Funded Ratio
(1999 - 2006)**



GASB No. 25 Disclosure

Statement No. 25 of the Governmental Accounting Standards Board established reporting standards for the annual financial reports of defined benefit pension plans. The System complied with Statement No. 25 beginning with the January 1, 1997 valuation. The statement requires disclosure of the “schedule of funding progress” and the “schedule of employer contributions” in the System’s financial statements.

The “schedule of funding progress” shows historical trend information about the System’s actuarial value of assets, the actuarial accrued liability and the unfunded actuarial accrued liability. The actuarial funded ratio is measured by comparing the actuarial value of assets (based on a 5-year moving average market value) with the accrued liability. The accrued liability is the present value of benefits accumulated to date under the System’s funding method and reflects future pay increases for active employees. On this basis, the System’s funded ratio is 76.2% as of January 1, 2006. This funded ratio is based on an actuarial value of assets of \$1,454,301,600 and an accrued liability of \$1,909,321,282.

The “schedule of employer contributions” shows historical trend information about the annual required contribution (ARC) for pensions of the employer and the percentage of the ARC contributed to the System. The ARC is equal to the normal cost for pensions plus amortization of the unfunded actuarial accrued liability for pensions. The maximum period of amortizing the unfunded actuarial accrued liability permitted by GASB No. 25 is 40 years. The maximum amortization period decreases to 30 years in 2007. The employer contributions to the System are equal to the normal cost plus a payment towards each change in the unfunded accrued liability, which are amortized over 5, 10 or 30-year periods. The ARC and the actual employer percentage contributed for the six fiscal years ending December 31, 2006 are shown in Table 14.

Rate of Return

The investment return of the trust fund (i.e. total return including both realized and unrealized gains and losses) for fiscal years 2001 through 2005 is shown in the table below. The return based on the actuarial value of assets used for determining annual contribution rates is also shown.

The rate of return on market value reflects the investment earnings on the market value of assets from the beginning of the fiscal year to the end of the fiscal year. The actuarial assets are the assets recognized for valuation purposes. Actuarial assets are based on a smoothed market value that spreads the difference between the actual and expected return over a period of five years. The rate of return on the actuarial value of assets is a measure of the increase in the actuarial value of assets from the beginning of the fiscal year to the end of the fiscal year.

Five Year History of Asset Returns

As of 12/31	Asset Values		Rates of Return		
	Market	Actuarial	Market	Actuarial	Assumed
2005	\$ 1,559,777,489	\$ 1,454,301,600	8.3%	10.6%	8.5%
2004	1,550,112,389	1,424,917,604	14.0%	8.0%	8.5%
2003	1,493,450,359	1,446,725,776	23.3%	5.6%	9.0%
2002	1,282,880,806	1,446,860,024	(5.8%)	(3.7%)	9.0%
2001	1,481,783,176	1,620,157,072	(2.2%)	2.6%	8.5%

Compound Rate of Return (five years): 7.0% 4.5%

TABLE 1
SUMMARY OF RESULTS OF ACTUARIAL VALUATION
AS OF JANUARY 1, 2006

Item	Amount
Participant Data	
1. Number of Participants	
a) Active Participants	5,056
b) Participants with Deferred Benefits	1,399
c) Participants Receiving Benefits	7,275
d) Total	13,730
2. Annualized Salaries	\$ 225,721,691
3. Annual Annuities	\$ 124,082,027
Valuation Results	
4. Present Value of Future Benefits	
a) Active Participants	\$ 748,110,333
b) Participants with Deferred Benefits	66,380,188
c) Participants Receiving Benefits	1,272,681,967
d) Total	\$ 2,087,172,488
5. Present Value of Future Normal Cost	\$ 177,851,206
6. Actuarial Accrued Liability: (4 - 5)	\$ 1,909,321,282
7. Actuarial Value of Assets	\$ 1,454,301,600
8. Funded Status: (7 / 6)	76.2 %
9. Unfunded Actuarial Accrued Liability: (6 - 7)	\$ 455,019,682
10. Normal Cost Rate	9.644 %
11. Normal Cost for the Plan Year	\$ 21,768,600
Employer Actual Funding Contribution for Fiscal 2006 (based on 5.5% payroll growth)	
12. Actual Funding Contribution Calculated by Actuary	
a) Normal Cost with Interest	\$ 24,306,754
b) Net Annual Amortization Payments	22,622,593
c) Total Contribution: ((a + b), not less than zero)	\$ 46,929,347
Annual Required Contribution for Fiscal 2006 (based on 3.5% payroll growth)	
13. Annual Required Contribution Calculated by Actuary	
a) Normal Cost with Interest	\$ 22,622,593
b) Net Annual Amortization Payments	30,015,603
c) Total Contribution: ((a + b), not less than zero)	\$ 52,638,196

TABLE 2
SECURITY OF PROMISED BENEFITS
UNFUNDED ACTUARIAL ACCRUED LIABILITY
FUNDED STATUS

Item	January 1, 2006	January 1, 2005*
1. Actuarial Accrued Liability		
a. Active Participants		
Retirement Benefits	\$ 501,057,818	\$ 451,306,892
Withdrawal Benefits	25,257,941	12,984,850
Disability Benefits	32,032,843	29,314,145
Death Benefits	<u>11,910,525</u>	<u>1,862,161</u>
Total Active	570,259,127	495,468,048
b. Participants with Deferred Benefits	66,380,188	60,991,275
c. Participants Receiving Benefits	<u>1,272,681,967</u>	<u>1,226,424,609</u>
d. Total All Participants	\$ 1,909,321,282	\$ 1,782,883,932
2. Actuarial Value of Assets	<u>1,454,301,600</u>	<u>1,424,917,604</u>
3. Unfunded Actuarial Accrued Liability (1d - 2)	\$ 455,019,682	\$ 357,966,328
4. Funded Status: (2 / 1d)	76.2%	79.9%

Both valuations were based on the same methods and plan provisions.

The interest rates used as of January 1, 2006 and January 1, 2005 were 8.00% and 8.50%, respectively, and the backdrop utilization assumption was 70% and 50%, respectively.

* January 1, 2005 results, on this page and throughout this report, were prepared by Mercer Human Resource Consulting.

TABLE 3
ACTUARIAL GAIN/(LOSS) FOR PLAN YEAR ENDING
DECEMBER 31, 2005

Item	Amount
1. Actuarial Accrued Liability at January 1, 2005	\$ 1,782,883,932
2. Increases/(Decreases) During the Year	
a. Normal Cost for 2005	16,760,182
b. Member Contributions	360,283
c. Benefit Payments and Refunds	(148,344,299)
d. Assumed Interest to End of Year*	146,808,681
e. Plan and Assumption Changes**	<u>95,861,177</u>
f. Total: (a + b + c + d + e)	<u>111,446,024</u>
3. Expected Liability at January 1, 2006: (1 + 2)	1,894,329,956
4. Actuarial Accrued Liability at January 1, 2006	1,909,321,282
5. Liability Gain/(Loss): (3 - 4)	\$ (14,991,326)
6. Actuarial Value of Assets at January 1, 2005	\$ 1,424,917,604
7. Increases/(Decreases) During the Year	
a. County Contributions	35,415,185
b. Member Contributions	360,283
c. Benefit Payments and Refunds	(148,344,299)
d. Administrative Expenses payable to the County	(972,805)
e. Assumed Interest to End of Year*	<u>114,958,809</u>
f. Total: (a + b + c + d + e)	<u>1,417,173</u>
8. Expected Actuarial Assets at January 1, 2006 (6 + 7)	1,426,334,777
9. Actuarial Value of Assets at January 1, 2006	1,454,301,600
10. Actuarial Asset Gain/(Loss): (9 - 8)	\$ 27,966,823
11. Total Gain/(Loss): (5 + 10)	\$ 12,975,497

* 8.50% per annum interest rate assumed for 2005 plan year

** The interest rate assumption was lowered from 8.50% to 8.00%. The backdrop utilization assumption was increased from 50% to 70%.

TABLE 4

**AMORTIZATION SCHEDULE FOR ACTUAL FUNDING CONTRIBUTION
FOR 2006 PLAN YEAR**

Type of Payment	Amortization Period				Balances		Payment
	Date Created	Initial Years	Remaining Years	Last Payment	Initial	Outstanding	
1. Charges							
Expense	01/01/1997	10	1	2006	\$ 689,121	\$ 97,196	\$ 104,972
Expense	01/01/1998	10	2	2007	739,537	200,417	112,388
Expense	01/01/1999	10	3	2008	710,319	277,555	107,701
Expense	01/01/2000	10	4	2009	655,908	328,663	99,230
Expense	01/01/2001	10	5	2010	799,202	481,710	120,647
Expense	01/01/2002	10	6	2011	780,362	543,450	117,557
Expense	01/01/2003	10	7	2012	1,017,500	795,104	152,718
Expense	01/01/2004	10	8	2013	1,052,422	904,510	157,398
Variance	01/01/2004	5	3	2008	48,682	31,552	12,243
Reestablished unfunded	01/01/2004	30	28	2033	257,960,162	274,561,245	14,271,624
Expense	01/01/2005	10	9	2014	1,053,714	982,686	157,308
Loss	01/01/2005	30	29	2034	88,729,863	91,592,032	4,644,895
Expense	01/01/2006	10	10	2015	972,805	972,805	144,977
Variance Assumption	01/01/2006	5	5	2010	2,190,874	2,190,874	548,719
Change	01/01/2006	30	30	2035	95,861,177	95,861,177	4,748,346
Total Charges						\$ 469,820,976	\$ 25,500,723
2. Credits							
Variance	01/01/2005	5	4	2009	\$ 2,196,489	\$ 1,825,797	\$ 551,246
Gain	01/01/2006	30	30	2035	12,975,497	12,975,497	642,723
Total						\$ 14,801,294	\$ 1,193,969
3. Net Amount (1 - 2)						\$ 455,019,682	\$ 24,306,754

Annual amortization payments of the reestablished unfunded actuarial accrued liability (UAAL), and changes to the UAAL arising from plan changes, assumption changes, and actuarial gains/losses are amortized as a level percentage of payroll, assuming payroll growth of 5.5% per year over a 30-year period.

Administrative expenses incurred by the County related to the System are payable by the System to the County. The County then reimburses the System for this payment on a level dollar basis over 10 years.

The variance between the amount contributed to the System for a plan year, and the actual contribution requirement for that year is amortized on a level dollar basis over 5 years.

TABLE 5
DEVELOPMENT OF NORMAL COST
FOR CURRENT AND PRIOR PLAN YEAR ACTUAL FUNDING CALCULATIONS

Item	January 1, 2006	January 1, 2005
1. Present Value of Projected Benefits		
a. Active Participants		
Retirement Benefits	\$ 646,663,687	\$ 558,935,329
Withdrawal Benefits	40,951,679	30,296,568
Disability Benefits	43,577,611	38,870,033
Death Benefits	16,917,356	3,264,375
Total Active	748,110,333	631,366,305
b. Participants with Deferred Benefits	66,380,188	60,991,275
c. Participants Receiving Benefits	1,272,681,967	1,226,424,609
d. Total All Participants	2,087,172,488	1,918,782,189
2. Actuarial Value of Assets	1,454,301,600	1,424,917,604
3. Unfunded Actuarial Accrued Liability	455,019,682	357,966,328
4. Present Value of Future Normal Costs (1d - 2 - 3)	177,851,206	135,898,257
5. Present Value of Future Salaries	1,844,204,892	1,697,371,757
6. Normal Cost Rate: (4 / 5)	9.644%	8.006%
7. Expected Salaries for the Plan Year*	225,721,692	209,345,260
8. Normal Cost for the Plan Year: (6 x 7)	21,768,600	16,760,182

* Prior-year earnings increased by the salary assumption and limited by the IRS compensation limit for those under the mandatory retirement age.

TABLE 6

**CONTRIBUTION REQUIREMENTS – END-OF-YEAR BASIS
ACTUAL AND BUDGET AMOUNTS FOR CURRENT PLAN YEAR
BUDGET AMOUNT FOR NEXT PLAN YEAR**

Item	2007 Budget	2006	
		Actual	Budget
1. Normal Cost with Interest	\$ 25,473,000	\$ 22,622,593	\$ 21,489,000
2. Net Annual Amortizations	<u>33,542,000</u>	<u>24,306,754</u>	<u>24,444,000</u>
3. Total Contribution ((1 + 2), not less than zero)	\$ 59,015,000	\$ 46,929,347	\$ 45,933,000

The Budget Contributions shown above for the 2007 and 2006 plan years were estimated based on participant data as of January 1, 2006, and January 1, 2005, respectively.

The Actual Funding Contribution for the 2006 plan year was determined based on participant data as of January 1, 2006.

Changes in assumptions, methodology, and plan provisions since the prior valuation:

The actual and budgeted contributions for the 2005 plan year were based on the same assumptions, methods, and plan provisions as the 2004 plan year Actual Funding Contribution, including an investment return assumption of 8.5%, and a backdrop utilization assumption of 50%.

For 2006 budget purposes, the investment return assumption was lowered to 8.0%, and the backdrop utilization assumption was increased to 70%. The actual 2006 contribution and the budgeted 2007 contribution were also based on these changed assumptions.

For 2007 budget purposes, the payroll growth assumption was lowered from 5.5% to 3.5%. Also, the disability assumption was changed. The prior assumption was that 100% of disabilities are Ordinary. The revised assumption for represented employees is 20% Ordinary and 75% Accidental. For non-represented employees, the revised assumption is 95% Ordinary and 5% Accidental.

TABLE 7

**SUMMARY STATEMENT OF MARKET VALUE OF PLAN ASSETS
AS OF DECEMBER 31, 2005**

Asset Category	Market Value as of December 31, 2005
1. Cash and Cash Equivalents	\$ 8,703,836
2. Investments at Fair Value	
a. Domestic common and preferred stocks	\$ 570,614,993
b. Corporate bonds	460,757,437
c. International common and preferred stocks	264,187,426
d. Federal agency and mortgage-backed certificates	46,207,868
e. International fixed income	35,200,314
f. U.S. Government and state obligations	58,112,905
g. Real estate investment trusts	59,303,759
h. Venture capital	<u>20,093,802</u>
i. Total Investments	1,514,478,504
3. Contributions Receivable for OBRA and ERS	35,735,000
4. (Payable) to OBRA Pension Plan	(1,089,999)
5. Net All Other Receivables (Liabilities)	<u>1,950,148</u>
6. Net Assets Held in Trust for ERS Pension Benefits (1 + 2i + 3 + 4 + 5)	\$ 1,559,777,489

TABLE 8

**SUMMARY RECONCILIATION OF MARKET VALUE OF PLAN ASSETS
AS OF DECEMBER 31, 2005**

Item	Amount
1. Market Value of Assets as of December 31, 2004	\$ 1,550,112,389
2. Contributions for Plan Year	
a. County	\$ 35,415,185
b. Member	<u>360,283</u>
c. Total	35,775,468
3. Disbursements for Plan Year	
a. Benefit payments and refunds	\$ 148,344,299
b. Administrative expenses payable to County	<u>972,805</u>
c. Total	149,317,104
4. Market Value of Assets as of December 31, 2005	1,559,777,489
5. Net Investment Income* (4 - 1 - 2c + 3c)	123,206,736
6. Expected Net Investment Income (8.50% per annum)	125,600,366
7. Gain (Loss) on Market Value of Assets (5 - 6)	(2,393,630)
8. Estimated Rate of Return	8.3%

* Net Investment Income is the change in the value of assets for reasons other than contributions and disbursements.

TABLE 9**DERIVATION OF ACTUARIAL VALUE OF PLAN ASSETS
AS OF DECEMBER 31, 2005**

1. Market Value of Assets as of December 31, 2005				\$ 1,559,777,489
2. Determination of Deferred Gain (Loss)				
Year	Gain/(Loss)	Percentage Deferred	Amount Deferred	
2005	\$ (2,393,630)	80%	\$ (1,914,904)	
2004	63,554,640	60%	38,132,784	
2003	213,416,041	40%	85,366,416	
2002	(80,542,034)	20%	(16,108,407)	
2001	(107,408,692)	0%	-	
Total				105,475,889
3. Actuarial Value of Assets (1 - 2)				\$ 1,454,301,600

TABLE 10

**SUMMARY RECONCILIATION OF ACTUARIAL VALUE OF PLAN ASSETS
AS OF DECEMBER 31, 2005**

Item	Amount
1. Actuarial Value of Assets as of December 31, 2004	\$ 1,424,917,604
2. Contributions for Plan Year	
a. County	\$ 35,415,185
b. Member	<u>360,283</u>
c. Total	35,775,468
3. Disbursements for Plan Year	
a. Benefit payments and refunds	\$ 148,344,299
b. Administrative expenses payable to County	<u>972,805</u>
c. Total	149,317,104
4. Actuarial Value of Assets as of December 31, 2005	1,454,301,600
5. Net Investment Income* (4 - 1 - 2c + 3c)	142,925,632
6. Expected Net Investment Income (8.50% per annum)	114,958,809
7. Gain (Loss) on Actuarial Value of Assets (5 - 6)	27,966,823
8. Estimated Rate of Return	10.6%

* Net Investment Income is the change in the value of assets for reasons other than contributions and disbursements.

TABLE 11

**EMPLOYER CONTRIBUTIONS FOR 2005 PLAN YEAR
AND VARIANCE FROM THE FUNDING CALCULATION CONTRIBUTION**

Item				Amount
1. Actual Funding Contribution End-of-Year Basis, for 2005 Plan Year (from January 1, 2005 actuarial valuation report)				\$ 37,607,940
2. Total Employer Contributions Made, End-of-Year Basis				
Contribution Made	Fraction of a Year Invested	Contribution Amount	Interest to Year End*	End of Year Amount
Bi-weekly	50.0%	\$ 45,185	\$ 1,881	\$ 47,066
02/01/2006	0.0%	7,000,000	-	7,000,000
03/01/2006	0.0%	7,000,000	-	7,000,000
04/03/2006	0.0%	6,635,000	-	6,635,000
05/01/2006	0.0%	7,000,000	-	7,000,000
06/01/2006	0.0%	<u>7,735,000</u>	<u>-</u>	<u>7,735,000</u>
Total		\$ 35,415,185	\$ 1,881	\$ 35,417,066
3. Variance from Actual Funding Contribution Amount** (2 - 1)				\$ (2,190,874)

* Interest to 12/31/2005 at 8.50% per annum.

** Variance will be amortized on a level dollar basis over five years.

TABLE 12**GASB NOS. 25 AND 27 DISCLOSURE INFORMATION
FOR CURRENT AND PRIOR PLAN YEAR****Equivalent Single Amortization Period**

Item	January 1, 2006	January 1, 2005
1. Covered Payroll	\$ 225,721,692	\$ 209,795,776
2. Unfunded Amount	455,019,682	357,966,328
3. Amortization Payment	30,015,603	19,423,143
4. Payment as a Level Percentage of Payroll (3 / 1)	13.30%	9.26%
5. Weighted Average Amortization Period (2 / 3)	15.16	18.43
6. Equivalent Single Amortization Period (Nearest Whole Year)	27	29

Net Pension Obligation

Item	January 1, 2006	January 1, 2005
1. Annual Required Contribution (ARC)	\$ 52,638,196	\$ 37,607,940
2. Interest on Net Pension Obligation	42,423	(170,000)
3. Adjustment to ARC	<u>(132,814)</u>	<u>507,532</u>
4. Annual Pension Cost (APC)	52,547,805	37,945,472
5. Contributions made*	<u>(27,442,000)</u>	<u>(35,415,185)</u>
6. Increase (Decrease) in Net Pension Obligation	25,105,805	2,530,287
7. Net Pension Obligation at Beginning of Year	<u>530,287</u>	<u>(2,000,000)</u>
8. Net Pension Obligation at End of Year**	25,636,092	530,287
9. Percent of APC Contributed	52.22%	93.33%

* Contributions for 2006 are estimated based on the County budget.

** NPO at December 31, 2006 is estimated based on expected contributions to be made for the year.

TABLE 13

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF FUNDING PROGRESS**
(\$ Amounts in Thousands)

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (b)	Funded Ratio (a / b)	(Overfunded) Unfunded Actuarial Accrued Liability (b - a)	Covered Payroll (c)	(Overfunded) Unfunded as a Percentage of Covered Payroll [(b - a) / c]
01/01/2006	\$ 1,454,302	\$ 1,909,321	76.2%	\$ 455,020	\$ 225,722	201.6%
01/01/2005	1,424,918	1,782,884	79.9%	357,966	209,796	170.6%
01/01/2004	1,446,726	1,707,999	84.7%	261,273	233,478	111.9%
01/01/2003	1,446,860	1,542,045	93.8%	95,185	234,679	40.6%
01/01/2002	1,620,157	1,492,072	108.6%	(128,086)	238,387	(53.7%)
01/01/2001	1,670,601	1,499,261	111.4%	(171,340)	238,195	(71.9%)

TABLE 14

**SCHEDULE OF EMPLOYER CONTRIBUTIONS
GASB STATEMENT NO. 25 DISCLOSURE**

Fiscal Year Ended December 31	Annual Required Contribution	Percentage Contributed
2006	\$ 52,638,196	52.1% *
2005	37,607,940	94.2%
2004	33,248,204	105.7%
2003	25,242,325	134.6%
2002	8,528,477	30.3%
2001	8,586,443	30.8%

* Contributions for 2006 are estimated based on the County budget.

The information presented above was determined as part of the actuarial valuation as of the dates indicated.

Additional information as of the latest actuarial valuation follows:

Valuation Date:	January 1, 2006
Actuarial Cost Method:	Aggregate Entry Age Normal
Amortization Method:	Level percent of payroll, closed
Remaining Amortization Period:	5-30 Years
Asset Valuation Method:	5-year smoothed market

Actuarial Assumptions:

- Investment Rate of Return	8.00%
- Payroll Growth	3.50%

TABLE 15**DESCRIPTION OF ACTUARIAL ASSUMPTIONS AND METHODS****ASSUMPTIONS**

Interest Rate: 8.0% per annum, compounded annually. The components are 3.0% for inflation and 5.0% for the real rate of return.

Separation From Service: Illustrative rates of assumed separation from service are shown in the following tables.

Annual Rates per 100 Participants

Mortality*				
Attained Age	Healthy		Disabled	
	Males	Females	Males	Females
20	0.03	0.02	2.26	0.75
25	0.04	0.02	2.26	0.75
30	0.04	0.03	2.26	0.75
35	0.08	0.05	2.26	0.75
40	0.11	0.07	2.26	0.75
45	0.15	0.11	2.26	0.75
50	0.21	0.17	2.90	1.15
55	0.36	0.27	3.54	1.65
60	0.67	0.51	4.20	2.18
65	1.27	0.97	5.02	2.80

* Active and non-disabled pensioners: The sex-distinct RP2000 Combined Mortality Table.
 Disabled pensioners: RP2000 Disabled Mortality Table.

TABLE 15

DESCRIPTION OF ACTUARIAL ASSUMPTIONS AND METHODS
(Continued)

Annual Rates per 100 Participants

Attained Age	Withdrawal – Ultimate			Disability
	General Employees	Elected Officials*	Deputy Sheriffs	
20	9.81	11.0	11.0	0.02
25	8.91	8.00	8.00	0.03
30	8.00	5.00	5.00	0.07
35	6.57	3.00	3.00	0.12
40	5.15	1.24	1.24	0.18
45	3.72	1.00	1.00	0.28
50	2.73	0.75	0.75	0.48
55	1.84	0.05	0.05	0.87
60	0.00	0.00	0.00	1.38
65	0.00	0.00	0.00	1.88

* Select rates for elected officials assume no turnover for first four years.

Annual Rates per 100 Participants

Attained Age	Withdrawal – Select Rates by Year of Employment				
	General Employees				
	0	1	2	3	4
20	21.4	15.1	13.9	12.0	11.0
25	20.9	12.7	11.0	10.6	9.9
30	19.5	12.1	10.6	9.4	8.7
35	18.3	11.1	10.6	8.7	7.3
40	17.5	11.1	10.2	8.0	6.1
45	16.6	11.1	10.2	7.3	5.3
50	15.8	11.1	9.6	6.5	4.1
55	14.9	10.5	8.1	5.2	3.0

TABLE 15

DESCRIPTION OF ACTUARIAL ASSUMPTIONS AND METHODS
(Continued)

Annual Rates per 100 Participants

Retirement Rates			
Attained Age	General Employees	Elected Officials	Deputy Sheriffs
45-49	0	0	1
50-54	7	0	10
55-54	15	7	15
60	20	20	75
61	20	20	75
62	20	45	80
63	20	30	50
64	25	30	50
65	30	40	100
66	30	30	100
67	30	30	100
68	30	30	100
69	30	30	100
70	100	100	100

TABLE 15**DESCRIPTION OF ACTUARIAL ASSUMPTIONS AND METHODS**
(Continued)

Salary Increase: Effective average of 4.5% per annum, compounded annually. Representative values are as follows:

Annual Rate of Salary Increase

Age	General Employees	Elected Officials	Deputy Sheriffs
20	6.9%	4.5%	8.0%
25	5.9	4.5	5.8
30	5.5	4.5	5.5
35	5.1	4.5	5.1
40	4.7	4.5	4.7
45	4.5	4.5	4.5
50	4.2	4.5	4.1
55	3.9	4.5	3.9
60	3.8	4.5	3.8
Average	4.4	4.5	4.4

Payroll Growth: For Actual Funding Calculation purposes – 5.5% per annum. For Budget Contribution and GASB purposes – 3.5% per annum.

MISCELLANEOUS

Percentage Married/Age Difference: Male 80%, female 80%. Beneficiaries are assumed to be the same age as the participant.

Percentage Married with at Least One Dependent Child: 21.6% for General Employees, 43.2% for Deputy Sheriffs and Elected Officials. For those who die prior to age 60, it is assumed at least one child will remain a dependent until the member would have turned age 60.

Backdrop Rate: 70% of retirees are assumed to elect a backdrop of 4 years, but not earlier than participant's earliest full retirement date.

Assumed Type of Disability: Currently, 100% of disabilities are assumed Ordinary. For purposes of determining the Budget Contribution, for represented employees the assumption is 25% Ordinary and 75% Accidental and for non-represented employees, the assumption is 95% Ordinary and 5% Accidental.

TABLE 15**DESCRIPTION OF ACTUARIAL ASSUMPTIONS AND METHODS**
(Continued)**METHODS**

Calculations: The actuarial calculations were performed by qualified actuaries in accordance with accepted actuarial procedures, based on the current provisions of the retirement system, and on actuarial assumptions that are internally consistent and reasonably based on the actual experience of the System.

Actuarial Cost Method: Liabilities and contributions shown in this report are computed using the Aggregate Entry Age Normal Cost Method. The outstanding balance of the unfunded actuarial accrued liability (UAAL) as of January 1, 2004 and any changes to the UAAL arising from plan changes, assumption changes, and actuarial gains/losses are amortized as a level percentage of payroll over a 30-year period.

Administrative expenses incurred by the County related to the System are payable by the System to the County. The County then reimburses the System for this payment on a level dollar basis over 10 years.

The variance between the amount contributed to the System for a plan year, and the actual contribution requirement for that year is amortized on a level dollar basis over 5 years.

Asset Valuation Method: A five-year moving market average value of assets that recognizes the actuarial expected investment return immediately and spreads the difference between the actual and expected return over a period of five years.

DATA

Census and Assets: The valuation was based on members of the System as of January 1, 2006 and does not take into account future members. All census data was supplied by the System and was subject to reasonable consistency checks. Asset data was supplied by the System.

TABLE 16**SUMMARY OF BENEFIT AND CONTRIBUTION PROVISIONS****MEMBERSHIP**

Any person regularly employed by the County at an annual wage or salary, including any person employed by the State of Wisconsin, but receiving part of his compensation from the County.

VESTING SERVICE

Service during period of employment in the County or in any department in any town, village, city or metropolitan sewerage commission in the County, which department has by consolidation or merger been absorbed by the County.

Creditable service shall consist of “prior service”, “military service”, and “membership service”, for which service credit is allowable under Section 4, Chapter 201, Laws of 1937, as well as service under Executive Order 11231, July 8, 1965, for Vietnam. Additional credit for periods of military service will be earned in accordance with the following chart:

Years of Service with Milwaukee County	Maximum Years of Military Service Granted
0-4	0
5-9	1
10-14	2
15-19	3
20+	4

BENEFIT SERVICE

Same as vesting service except service prior to becoming a participant does not count.

EARNINGS

Earnable compensation is the full rate of compensation payable to member if he worked the full normal working time for his position, including authorized overtime payments and the compensation rate assumed to have been received while the member is on authorized leave of absence. In cases where compensation includes maintenance, the Pension Board shall fix the value of that part of the compensation not payable in

TABLE 16**SUMMARY OF BENEFIT AND CONTRIBUTION PROVISIONS**

(Continued)

money. Compensation shall not exceed \$210,000 in the pension calculation as indexed for changes in the cost of living.

For all members except certain deputy sheriffs hired on or after January 1, 1982, the final average salary means the average annual salary for the highest three (3) consecutive years of service. For deputy sheriffs hired on or after January 1, 1982, excluding DA Investigators and non-represented deputy sheriffs, the final average salary means the average annual salary for the highest five (5) consecutive years of service. For DA Investigators and non-represented deputy sheriffs hired before July 1, 1995 and all non-deputy sheriff members hired before January 1, 1982, the final average salary is increased 7.5% for each year worked after January 1, 2001 to a maximum of 25%.

**VOLUNTARY
EMPLOYEE
CONTRIBUTION**

Up to 10% of earnings, provided that the employee was contributing on January 1, 1971.

BENEFITS**Normal Retirement****Eligibility****Elected Officials:**

Age 60, or age 55 with 30 years of service. For elected officials hired before January 1, 2006, the combination of age and service adding up to 75 (Rule of 75) also applies.

General Employees:

For firefighters, Federated Nurses, and Machinists:

Age 60 with 5 years of service, or age 55 with 30 years of service. For firefighters hired before December 1, 1996, Federated Nurses hired before January 1, 1997, and Machinists hired before January 1, 1994, Rule of 75 also applies.

TABLE 16**SUMMARY OF BENEFIT AND CONTRIBUTION PROVISIONS**

(Continued)

For Attorneys, Skilled Trades, non-represented employees, DC48, and Teamco:

Age 60, or age 55 with 30 years of service. For attorneys, Skilled Trades, and non-represented employees hired before January 1, 2006 and DC48 and Teamco hired before January 1, 1994, Rule of 75 also applies.

Deputy Sheriffs:

Age 57, or age 55 with 15 years of service. For deputy sheriffs, DA Investigators, and non-represented deputy sheriffs hired before January 1, 1994, Rule of 75 also applies.

Amount

Elected Officials

For elected officials hired before March 15, 2002, 2.5% of final average salary per year of service, not greater than 80%. For elected officials hired on or after March 15, 2002, 2.0% of final average salary per year of service, not greater than 80%.

General Employees

2.0% of final average salary per year of service, not greater than 80%.

Deputy Sheriffs

For deputy sheriffs hired before July 1, 1995 and DA Investigators and non-represented deputy sheriffs, 2.5% of final average salary per year of service, not greater than 80%. For deputy sheriffs hired on or after July 1, 1995, 2.0% of final average salary per year of service, not greater than 80%.

For all members, 1.6% of final average salary per year of service after 80% of final average salary has been reached.

In addition to the pension portion, the benefit includes any voluntary contribution balance. Benefits should not be less than under previous system.

TABLE 16**SUMMARY OF BENEFIT AND CONTRIBUTION PROVISIONS**

(Continued)

Early Retirement

Eligibility	Age 55 with 15 years of service.
Amount	Benefits reduced by 5/12 of 1% for each month by which commencement of payments precedes Normal Retirement Age. For deputy sheriffs, DA Investigators, and non-represented deputy sheriffs, benefit reduction does not apply.

Ordinary Disability Benefit

Eligibility	After 15 years of service.
Amount	Benefits calculated as for normal retirement benefits. Minimum benefit is 25% of final average salary.

Accidental Disability Benefit

Eligibility	Immediate.
Amount	Benefits are the same as normal retirement benefits if the employee has attained the minimum Normal Retirement Age. If less than Normal Retirement Age at time of disability, the benefit is computed the same as for normal retirement but is not less than 75% or 60% of final average salary.

Elected Officials

For elected officials hired before February 19, 1987, the benefit is not less than 75% of final average salary. For all other elected officials, the benefit is not less than 60% of final average salary.

General Employees

For non-represented employees hired before February 19, 1987, attorneys hired on or after January 1, 1987, Skilled Trades hired before October 30, 1987, Federated Nurses hired before January 1, 1987, Machinists hired before May 18, 1988, DC48 hired before July 24, 1987, and Teamco hired before January 12, 1988, the benefit is not less than 75% of final

TABLE 16**SUMMARY OF BENEFIT AND CONTRIBUTION PROVISIONS**

(Continued)

average salary. For all other general employees, the benefit is not less than 60% of final average salary.

Deputy Sheriffs

For all deputy sheriffs, the benefit is not less than 75% of final average salary. For DA Investigators and non-represented deputy sheriffs hired on or after February 19, 1987, the benefit is not less than 60% of final average salary.

Ordinary Death Benefit

Upon the death of a deputy sheriff in active service for any cause other than accidental, the surviving spouse or child shall be entitled to receive the benefit under the provision of survivor benefits if the deceased member has completed at least one (1) year of service and is not eligible for normal retirement.

Accidental Death Benefit

Upon the death of a deputy sheriff caused by an accident in active duty, a survivorship benefit equal to fifty (50) percent of final average salary shall be granted to the following members:

- 1) A surviving spouse for life or until remarriage, or
- 2) If there is no spouse or spouse dies or remarries before the youngest child has attained age 18, the benefit is payable to his child(ren) under age 18 until the youngest child attains said age, or
- 3) If there is no spouse or child(ren) under age 18, the benefit is payable to his dependent father or mother to continue for life.

The monthly benefit aforementioned shall not be less than the benefit under ordinary death benefit section if death had not occurred in performance of duty.

Lump Sum Benefit Upon Death

Upon a death of members, a lump sum benefit of one-half the final average salary of the deceased member, not greater than two thousand dollars (\$2,000) shall be paid to designated beneficiary if such member has completed one (1) year of service and no survivors' benefits payable under any other survivorship benefits.

TABLE 16**SUMMARY OF BENEFIT AND CONTRIBUTION PROVISIONS**

(Continued)

Deferred Vested Benefit

Upon termination of employment, a member who does not elect to withdraw any part of his membership account shall be eligible for a deferred vested benefit if:

- 1) The accrued benefit at age 60 is at least \$10 per month
- 2) 5 years of service

The benefit is computed the same as for a normal retirement benefit considering earnings and service prior to date of termination.

Survivor Benefit

Upon the death of a member prior to age 60 and after completing at least one (1) year of service, a monthly benefit equal to 40% of the member's salary for the year of his death less monthly survivor benefits payable under the Social Security law shall be payable to his surviving spouse if she has at least one dependent child and was married to the member at least one (1) year prior to his death. Upon attainment of age 60 the dependent spouse shall be paid a benefit equal to 50% of the normal pension which the member would have received assuming service had continued to accrue to age 60 and the final average salary determined at death. In addition, a monthly benefit equal to 10% of the member's monthly salary less the benefits payable to child under Social Security law shall be payable to each eligible children until he attains age 18 or marries, or until attainment of age 22 if he is a student and not married.

Any member eligible for normal retirement may elect the protective survivorship option by selecting option 2 or 3 under the Optional Benefit section. This survivorship option shall become effective at the death of the member. If any member eligible to elect an option shall die in active service, without selecting an option, his surviving spouse shall be paid a survivorship benefit equal to the amount that would have been payable if such member had retired under option 3 immediately prior to his death.

TABLE 16**SUMMARY OF BENEFIT AND CONTRIBUTION PROVISIONS**

(Continued)

Optional Benefit

In lieu of the full retirement benefit, any member at retirement may elect to receive an actuarial equivalent reduced retirement benefit in accordance with the following options:

- Option 1. In case of death before benefits attributable to his mandatory account have equaled the amount of his membership account at the date of retirement, the balance shall be paid to a designated beneficiary or to his estate; or
- Option 2. At the death of the member, one-half of the reduced benefit shall be continued throughout the life of designated beneficiary; or
- Option 3. At the death of the member, the same reduced benefit shall be continued throughout the life of designated beneficiary.

Other Benefits

Simple COLA 2% of original benefit increase per year to retired employees (surviving beneficiary receives proportionate amount based on survivorship percentage).

Contribution Refund Refund of employee voluntary contribution upon severance.

Backdrop Benefit Employee may opt to receive a monthly benefit earned as of a specific date in the past (backdrop date). The backdrop date may not be prior to the earliest date that the member was eligible to retire and shall not be less than one (1) year prior to the date the member leaves active County service. Employee receives a cash payment equal to monthly benefits that would have been paid between backdrop date and actual retirement date plus interest earned.

Members not eligible for backdrop benefits are Elected Officials, non-represented employees and deputy sheriffs hired on or after March 15, 2002, Machinists and Teamco hired on or after November 4, 2005, attorneys hired on or after January 1, 2006 and Federated Nurses hired on or after December 15, 2005.

TABLE 17**SUMMARY OF MEMBERSHIP DATA
AS OF JANUARY 1, 2006****Active Participants**

Item	General Employees	Deputy Sheriffs *	Elected Officials	Total
Number of Participants	4,458	572	26	5,056
Average Annual Salaries **	\$ 43,322	\$ 53,901	\$ 67,691	\$ 44,644
Average Age	46.1	39.9	48.3	45.4
Average Service	11.9	12.0	10.9	11.9

* Includes 10 non-represented deputy sheriffs.

** The salaries shown in the table above represent a rate of pay increased by the salary assumption.

Inactive Participants

Item	Number	Annual Annuities	Average Annuities	Average Age
Participants with Deferred Benefits *	1,399	\$ 10,591,120	\$ 7,570	50.9
Retired Participants	6,076	109,627,092	18,043	70.3
Beneficiaries	959	10,417,801	10,863	75.4
Disability Retirees	<u>240</u>	<u>4,037,134</u>	<u>16,821</u>	<u>62.0</u>
Total	8,674	\$ 134,673,147	\$ 15,526	67.5

* Includes 1,376 deferred vested participants and 23 beneficiaries in deferred status.

EXHIBIT I**ACTIVE MEMBERSHIP DATA – ALL EMPLOYEES****NUMBER AND AVERAGE ANNUAL SALARY*
AS OF JANUARY 1, 2006**

Age	Years of Service									Total
	0-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+	
Under 25	80 \$29,547									80 \$29,547
25-29	233 \$33,553	76 \$39,694								309 \$35,063
30-34	218 \$34,326	231 \$41,421	35 \$51,240							484 \$38,935
35-39	196 \$38,282	234 \$41,230	170 \$48,874	45 \$44,531	2 -					647 \$42,616
40-44	158 \$36,819	153 \$40,475	205 \$45,349	187 \$47,575	55 \$50,859	6 -				764 \$43,589
45-49	150 \$40,630	148 \$40,980	192 \$46,325	260 \$49,659	174 \$49,418	69 \$50,051				993 \$46,342
50-54	99 \$37,367	115 \$43,454	167 \$44,676	253 \$49,227	153 \$54,875	96 \$55,196	20 \$55,147			903 \$48,073
55-59	78 \$46,176	78 \$42,331	117 \$47,864	169 \$49,032	81 \$54,345	47 \$62,900	39 \$63,951	3 -		612 \$50,392
60-64	21 \$43,097	36 \$37,195	61 \$39,272	51 \$51,024	17 -	6 -	9 -	2 -		203 \$45,789
Over 64	8 -	5 -	23 \$ 53,326	14 -	4 -	2 -	3 -	1 -	1 -	61 \$ 53,149
Total	1,241 \$36,681	1,076 \$41,228	970 \$46,367	979 \$48,900	486 \$52,243	226 \$55,189	71 \$63,356	6 -	1 -	5,056 \$44,644

* Compensation in cells with fewer than 20 records has been suppressed.

EXHIBIT II**ACTIVE MEMBERSHIP DATA – GENERAL EMPLOYEES****NUMBER AND AVERAGE ANNUAL SALARY*
AS OF JANUARY 1, 2006**

Age	Years of Service									Total
	0-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+	
Under 25	77 \$29,045									77 \$29,045
25-29	203 \$32,117	57 \$38,014								260 \$33,410
30-34	201 \$33,709	154 \$38,262	9 -							364 \$35,715
35-39	180 \$37,313	184 \$40,022	88 \$41,726	40 \$42,639	2 -					494 \$39,610
40-44	156 \$36,731	139 \$39,893	154 \$41,427	156 \$44,646	50 \$49,206	6 -				661 \$41,424
45-49	148 \$39,967	139 \$40,307	172 \$44,730	233 \$48,405	158 \$47,735	61 \$47,221				911 \$44,909
50-54	98 \$37,208	114 \$43,443	158 \$43,861	225 \$48,175	140 \$54,006	85 \$53,759	18 -			838 \$47,128
55-59	77 \$45,705	76 \$42,057	112 \$47,236	164 \$48,573	79 \$54,218	44 \$62,296	38 \$63,641	3 -		593 \$49,936
60-64	20 \$42,603	36 \$37,195	61 \$39,272	50 \$50,985	16 -	6 -	9 -	2 -		200 \$45,596
Over 64	8 -	5 -	23 \$ 53,326	14 -	4 -	2 -	3 -	1 -		60 \$ 52,028
Total	1,168 \$36,084	904 \$40,145	777 \$43,655	882 \$47,644	449 \$51,164	204 \$53,702	68 \$63,443	6 -		4,458 \$43,322

* Compensation in cells with fewer than 20 records has been suppressed.

EXHIBIT III**ACTIVE MEMBERSHIP DATA – DEPUTY SHERIFFS****NUMBER AND AVERAGE ANNUAL SALARY*
AS OF JANUARY 1, 2006**

Age	Years of Service									Total
	0-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+	
Under 25	2									2
	-									-
25-29	30	19								49
	\$43,266	-								\$43,836
30-34	15	77	26							118
	-	\$47,739	\$56,193							\$48,631
35-39	13	49	82	5						149
	-	\$45,526	\$56,545	-						\$51,758
40-44	2	14	50	31	5					102
	-	-	\$57,276	\$62,311	-					\$57,523
45-49		9	16	26	16	7				74
		-	-	\$60,769	-	-				\$61,153
50-54		1	9	27	13	11	1			62
		-	-	\$57,856	-	-	-			\$60,604
55-59		1	4	4	2	3	1			15
		-	-	-	-	-	-			-
60-64					1					1
					-					-
Over 64										
Total	62	170	187	93	37	21	2			572
	\$42,055	\$46,846	\$57,022	\$60,358	\$65,334	\$68,338	-			\$53,901

* Compensation in cells with fewer than 20 records has been suppressed.

EXHIBIT IV**ACTIVE MEMBERSHIP DATA – ELECTED OFFICIALS****NUMBER AND AVERAGE ANNUAL SALARY*
AS OF JANUARY 1, 2006**

Age	Years of Service									Total
	0-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+	
Under 25	1									1
	-									-
25-29										
30-34	2									2
	-									-
35-39	3	1								4
	-	-								-
40-44			1							1
			-							-
45-49	2		4	1		1				8
	-		-	-		-				-
50-54	1			1			1			3
	-			-			-			-
55-59	1	1	1	1						4
	-	-	-	-						-
60-64	1			1						2
	-			-						-
Over 64									1	1
									-	-
Total	11	2	6	4		1	1		1	26
	-	-	-	-		-	-		-	-

* Compensation in cells with fewer than 20 records has been suppressed.

EXHIBIT V**ACTIVE AND DEFERRED VESTED MEMBERS OBTAINING
RETIREMENT ELIGIBILITY OVER NEXT FIVE CALENDAR YEARS****Actives Reaching Early Retirement Eligibility**

Year	General Employees	Elected Officials	Deputy Sheriffs	Total
Eligible at Valuation Date	599	4	16	619
2006	207	1	13	221
2007	196	3	12	211
2008	219	1	15	235
2009	237	0	20	257
2010	220	1	18	239
Total Over Next 5 Years	1,079	6	78	1,163
Grand Total Eligible	1,678	10	94	1,782

Actives Reaching Normal Retirement Eligibility

Year	General Employees	Elected Officials	Deputy Sheriffs	Total
Eligible at Valuation Date	333	2	6	341
2006	112	0	3	115
2007	156	1	7	164
2008	149	2	13	164
2009	177	0	16	193
2010	177	1	15	193
Total Over Next 5 Years	771	4	54	829
Grand Total Eligible	1,104	6	60	1,170

Deferred Vesteds Reaching Retirement Age

Year	Total
2006	44
2007	94
2008	67
2009	103
2010	103
Total Over Next 5 Years	411

EXHIBIT VI**RETIREE AND BENEFICIARY MEMBERSHIP DATA
AS OF JANUARY 1, 2006****NUMBER AND AVERAGE ANNUAL BENEFIT**

Age Last Birthday	Number	Annual Benefit	Average Annual Benefit
Retired Participants			
Under 60	1,132	\$ 30,413,766	\$ 26,867
60 - 64	969	20,082,546	20,725
65 - 69	912	16,470,859	18,060
70 - 74	873	15,624,884	17,898
75 - 79	875	13,158,611	15,038
Over 79	1,315	13,876,426	10,552
Total	6,076	\$ 109,627,092	\$ 18,043
Beneficiary Participants			
Under 60	117	\$ 1,879,121	\$ 16,061
60 - 64	45	722,706	16,060
65 - 69	65	906,113	13,940
70 - 74	114	1,508,545	13,233
75 - 79	182	2,005,215	11,018
Over 79	436	3,396,101	7,789
Total	959	\$ 10,417,801	\$ 10,863
Disabled Participants			
Under 60	106	\$ 1,956,985	\$ 18,462
60 - 64	44	725,157	16,481
65 - 69	28	506,180	18,078
70 - 74	28	419,980	14,999
75 - 79	19	255,144	13,429
Over 79	15	173,688	11,579
Total	240	\$ 4,037,134	\$ 16,821
Grand Total			
Average Annual Benefit	7,275	\$ 124,082,027	\$ 17,056

EXHIBIT VII**4-YEAR HISTORY OF MEMBERSHIP DATA****Active Participants**

Valuation as of January 1	Number of Active Participants	Percentage Change in Membership	Total Annual Payroll	Percentage Change in Payroll
2006	5,056	1.53%	\$ 225,721,691	7.59%
2005	4,980	(8.87%)	209,795,776	(10.14%)
2004	5,465	(5.66%)	233,477,631	(0.51%)
2003	5,793	(4.67%)	234,679,129	(1.56%)

Retired, Disabled, and Beneficiary Participants

Valuation as of January 1	Number on roll	Additions	Deletions	Percentage Change in Membership	Annual Annuities	Percentage Change in Annuities
2006	7,275	212	236	(0.33%)	\$ 124,082,027	2.46%
2005	7,299	857	253	9.02%	121,097,712	19.37%
2004	6,695	312	254	0.87%	101,444,256	4.62%
2003	6,637	386	260		96,961,008	

EXHIBIT VIII

DETAILED TABULATIONS OF THE DATA

TABLE VIII-A
THE NUMBER AND ANNUAL SALARIES
OF MEMBERS IN ACTIVE SERVICE DISTRIBUTED BY
AGE AS OF JANUARY 1, 2006
ALL EMPLOYEES

Age	Men		Women	
	Number	Compensation	Number	Compensation
17	1	\$ 5,961		
19	1	21,140		
20	2	43,893	3	\$ 43,550
21	2	51,439	2	58,881
22	10	321,669	4	116,514
23	11	350,825	8	204,797
24	22	738,194	14	406,922
25	23	812,425	15	459,854
26	22	845,633	23	748,611
27	35	1,223,378	44	1,438,972
28	24	963,659	40	1,380,485
29	43	1,612,933	40	1,348,592
30	44	1,932,089	54	1,890,002
31	36	1,358,615	40	1,415,696
32	37	1,559,584	48	1,704,645
33	51	2,149,637	47	1,710,512
34	66	2,908,724	61	2,215,147
35	60	2,574,791	64	2,593,452
36	69	3,204,521	53	2,036,668
37	52	2,447,849	70	2,645,509
38	64	3,026,293	76	2,861,495
39	63	3,096,760	76	3,085,517
40	59	2,619,949	79	3,159,001
41	51	2,651,657	76	3,063,543
42	67	3,301,526	104	4,364,686
43	62	2,931,486	85	3,454,700
44	83	3,700,680	98	4,054,570
45	70	3,709,831	101	4,207,087
46	74	3,648,587	104	4,269,985
47	95	4,973,514	109	4,564,234
48	71	3,638,895	141	6,437,094
49	100	5,173,088	128	5,395,314
50	92	4,649,929	94	4,303,173
51	94	4,993,325	108	4,865,564
52	90	4,481,846	106	4,897,531
53	74	4,017,771	81	3,355,931
54	74	4,019,499	90	3,824,927
55	83	5,117,705	67	2,953,297
56	60	3,200,873	91	3,783,225
57	57	3,227,762	54	2,524,064

TABLE VIII-A
THE NUMBER AND ANNUAL SALARIES
OF MEMBERS IN ACTIVE SERVICE DISTRIBUTED BY
AGE AS OF JANUARY 1, 2006
ALL EMPLOYEES

Age	Men		Women	
	Number	Compensation	Number	Compensation
58	43	\$ 2,332,091	64	\$ 2,934,544
59	38	2,134,867	55	2,631,257
60	31	1,602,778	44	1,794,357
61	16	806,681	22	839,237
62	14	809,812	23	1,003,518
63	19	1,050,870	19	916,016
64	4	146,621	11	325,294
65	9	576,416	10	463,686
66	1	10,398	11	481,987
67	3	304,053	9	378,478
68	4	254,771	3	106,842
69	1	120,396		
70	2	134,912	1	37,113
71			4	265,613
72	1	38,769		
81	1	46,006		
82	1	22,632		
Total	2,282	\$ 111,700,005	2,774	\$ 114,021,686

TABLE VIII-B
THE NUMBER AND ANNUAL SALARIES
OF MEMBERS IN ACTIVE SERVICE DISTRIBUTED BY
YEARS OF CREDITED SERVICE AS OF JANUARY 1, 2006
ALL EMPLOYEES

Years of Service	Men		Women	
	Number	Compensation	Number	Compensation
0	156	\$ 5,441,896	233	\$ 7,064,145
1	104	4,234,033	127	4,481,653
2	78	3,477,140	97	3,572,601
3	107	4,779,592	92	3,234,251
4	131	5,265,371	116	3,970,570
5	121	5,067,820	165	6,006,821
6	130	5,324,455	153	5,982,609
7	101	4,341,019	98	3,719,690
8	75	3,712,932	79	3,216,713
9	78	3,879,921	76	3,108,960
10	70	3,776,520	37	1,652,741
11	77	3,845,071	110	4,598,613
12	66	3,279,018	102	4,262,751
13	107	5,854,269	148	6,451,822
14	104	5,217,408	149	6,037,789
15	93	4,622,628	101	4,056,770
16	94	4,698,344	190	8,612,539
17	97	5,165,542	142	6,653,371
18	68	4,316,894	71	3,283,841
19	49	2,964,142	74	3,499,071
20	73	3,864,509	94	4,473,300
21	49	2,779,492	77	3,809,114
22	37	2,026,617	37	2,045,845
23	27	1,559,657	26	1,300,130
24	24	1,568,738	42	1,962,508
25	31	1,787,091	49	2,200,457
26	25	1,452,133	29	1,546,127
27	28	1,772,149	20	1,071,236
28	14	998,596	13	649,760
29	11	698,409	6	296,748
30	18	1,161,887	6	324,330
31	15	900,671	5	231,505
32	6	489,479	4	190,700
33	7	480,932	1	51,997
34	6	503,446	3	163,325
35	3	191,024		
36	1	80,761	2	237,281
40	1	120,396		
Total	2,282	\$ 111,700,005	2,774	\$ 114,021,686

TABLE VIII-C
THE NUMBER AND ANNUAL SALARIES
OF MEMBERS IN ACTIVE SERVICE DISTRIBUTED BY
AGE AS OF JANUARY 1, 2006
GENERAL EMPLOYEES

Age	Men		Women	
	Number	Compensation	Number	Compensation
17	1	\$ 5,961		
19	1	21,140		
20	2	43,893	3	\$ 43,550
21	2	51,439	2	58,881
22	10	321,669	4	116,514
23	11	350,825	8	204,797
24	20	663,797	13	353,962
25	20	682,878	15	459,854
26	15	540,572	21	661,441
27	26	826,614	40	1,268,452
28	16	612,478	36	1,204,438
29	34	1,209,878	37	1,219,952
30	26	1,098,126	49	1,642,896
31	29	1,016,152	36	1,249,965
32	21	869,876	45	1,548,242
33	30	1,098,588	42	1,477,308
34	33	1,193,846	53	1,805,299
35	35	1,346,535	56	2,182,853
36	35	1,463,457	47	1,716,206
37	33	1,409,808	61	2,246,039
38	37	1,505,727	72	2,677,656
39	47	2,201,067	71	2,817,803
40	43	1,741,550	71	2,709,222
41	34	1,682,303	69	2,684,200
42	51	2,343,157	98	4,009,557
43	48	2,119,169	82	3,279,281
44	71	3,003,978	94	3,809,064
45	61	3,221,651	92	3,651,472
46	63	2,957,461	103	4,205,532
47	81	4,071,941	106	4,384,156
48	62	3,030,163	132	5,883,571
49	89	4,427,528	122	5,078,843
50	84	4,175,478	87	3,869,855
51	82	4,260,803	105	4,662,296
52	79	3,813,348	102	4,644,148
53	65	3,521,956	77	3,107,793
54	68	3,671,863	89	3,765,648
55	77	4,751,638	66	2,900,814
56	58	3,059,021	91	3,783,225
57	53	2,962,296	54	2,524,064

TABLE VIII-C
THE NUMBER AND ANNUAL SALARIES
OF MEMBERS IN ACTIVE SERVICE DISTRIBUTED BY
AGE AS OF JANUARY 1, 2006
GENERAL EMPLOYEES

Age	Men		Women	
	Number	Compensation	Number	Compensation
58	40	\$ 2,139,803	64	\$ 2,934,544
59	36	2,000,963	54	2,555,632
60	29	1,479,749	44	1,794,357
61	16	806,681	22	839,237
62	13	756,852	23	1,003,518
63	19	1,050,870	19	916,016
64	4	146,621	11	325,294
65	9	576,416	10	463,686
66	1	10,398	11	481,987
67	3	304,053	9	378,478
68	4	254,771	3	106,842
70	2	134,912	1	37,113
71			4	265,613
72	1	38,769		
81	1	46,006		
82	1	22,632		
Total	1,832	\$ 87,119,123	2,626	\$ 106,011,164

TABLE VIII-D

**THE NUMBER AND ANNUAL SALARIES
OF MEMBERS IN ACTIVE SERVICE DISTRIBUTED BY
YEARS OF CREDITED SERVICE AS OF JANUARY 1, 2006
GENERAL EMPLOYEES**

Years of Service	Men		Women	
	Number	Compensation	Number	Compensation
0	156	\$ 5,441,896	232	\$ 7,020,345
1	99	4,033,740	125	4,375,734
2	64	2,876,240	94	3,454,037
3	88	3,750,820	87	3,025,618
4	111	4,374,947	112	3,792,929
5	97	3,964,002	154	5,516,117
6	98	3,914,198	147	5,740,078
7	77	3,295,341	89	3,313,027
8	49	2,403,062	70	2,792,083
9	52	2,500,293	71	2,852,984
10	41	2,143,359	27	1,096,580
11	42	1,864,115	103	4,184,997
12	46	2,141,983	96	3,928,946
13	61	3,140,392	132	5,510,856
14	86	4,158,055	143	5,750,778
15	75	3,596,191	100	4,007,922
16	81	3,957,217	183	8,190,632
17	74	3,757,026	133	6,140,555
18	59	3,720,456	67	3,043,936
19	39	2,307,238	71	3,300,627
20	63	3,226,351	89	4,141,198
21	44	2,454,063	73	3,536,770
22	33	1,768,609	34	1,833,575
23	24	1,359,930	26	1,300,130
24	23	1,508,990	40	1,842,941
25	29	1,642,858	45	1,950,228
26	21	1,203,289	25	1,272,023
27	23	1,405,111	19	1,005,336
28	12	831,413	13	649,760
29	11	698,409	6	296,748
30	17	1,108,928	6	324,330
31	14	824,958	4	176,040
32	6	489,479	4	190,700
33	7	480,932	1	51,997
34	6	503,446	3	163,325
35	3	191,024		
36	1	80,761	2	237,281
Total	1,832	\$ 87,119,123	2,626	\$ 106,011,164

TABLE VIII-E
THE NUMBER AND ANNUAL SALARIES
OF MEMBERS IN ACTIVE SERVICE DISTRIBUTED BY
AGE AS OF JANUARY 1, 2006
DEPUTY SHERIFFS

Age	Men		Women	
	Number	Compensation	Number	Compensation
24	2	\$ 74,397		
25	3	129,547		
26	7	305,061	2	\$ 87,170
27	9	396,765	4	170,520
28	8	351,180	4	176,048
29	9	403,055	3	128,640
30	17	781,004	5	247,105
31	7	342,463	4	165,731
32	16	689,707	3	156,403
33	21	1,051,049	5	233,204
34	32	1,661,918	8	409,849
35	25	1,228,256	7	357,640
36	34	1,741,064	6	320,462
37	19	1,038,042	8	346,510
38	26	1,385,641	4	183,839
39	15	842,733	5	267,714
40	16	878,399	8	449,778
41	17	969,354	7	379,343
42	16	958,370	6	355,129
43	13	759,357	3	175,419
44	12	696,702	4	245,506
45	9	488,180	9	555,615
46	11	691,127	1	64,453
47	13	848,613	3	180,079
48	8	502,458	9	553,522
49	7	430,725	4	210,551
50	7	421,492	7	433,318
51	11	679,562	3	203,268
52	11	668,498	4	253,383
53	9	495,815	4	248,138
54	5	294,677	1	59,280
55	6	366,067	1	52,482
56	1	59,424		
57	4	265,466		
58	1	60,202		
59	1	59,279	1	75,625
60	1	70,069		
Total	429	\$ 23,085,715	143	\$ 7,745,724

TABLE VIII-F
THE NUMBER AND ANNUAL SALARIES
OF MEMBERS IN ACTIVE SERVICE DISTRIBUTED BY
YEARS OF CREDITED SERVICE AS OF JANUARY 1, 2006
DEPUTY SHERIFFS

Years of Service	Men		Women	
	Number	Compensation	Number	Compensation
0			1	\$ 43,800
1	4	\$ 147,334		
2	12	465,513	2	65,604
3	14	608,482	5	208,633
4	20	890,425	4	177,641
5	23	1,050,858	11	490,704
6	32	1,410,257	6	242,531
7	23	992,718	9	406,662
8	26	1,309,869	9	424,630
9	26	1,379,628	5	255,976
10	28	1,526,887	10	556,161
11	35	1,980,956	7	413,616
12	19	1,084,075	6	333,805
13	43	2,533,332	15	888,007
14	18	1,059,353	6	287,011
15	17	973,477	1	48,848
16	13	741,126	7	421,907
17	23	1,408,516	8	459,856
18	7	464,351	4	239,905
19	10	656,904	3	198,444
20	10	638,158	5	332,102
21	5	325,429	4	272,344
22	4	258,008	3	212,270
23	3	199,728		
24	1	59,748	2	119,567
25	1	61,805	4	250,229
26	4	248,844	4	274,104
27	5	367,038	1	65,900
28	2	167,183		
29				
30				
31	1	75,712	1	55,466
Total	429	\$ 23,085,715	143	\$ 7,745,724

TABLE VIII-G
THE NUMBER AND ANNUAL SALARIES
OF MEMBERS IN ACTIVE SERVICE DISTRIBUTED BY
AGE AS OF JANUARY 1, 2006
ELECTED OFFICIALS

Age	Men		Women	
	Number	Compensation	Number	Compensation
24			1	\$ 52,960
30	1	52,960		
34	1	52,960		
35			1	52,960
37			1	52,960
38	1	134,925		
39	1	52,960		
43	1	52,960		
47	1	52,960		
48	1	106,275		
49	4	314,834	2	105,920
50	1	52,960		
51	1	52,960		
54	1	52,960		
56	1	82,428		
58	2	132,087		
59	1	74,626		
60	1	52,960		
62	1	52,960		
69	1	120,396		
Total	21	\$ 1,495,167	5	\$ 264,799

TABLE VIII-H
THE NUMBER AND ANNUAL SALARIES
OF MEMBERS IN ACTIVE SERVICE DISTRIBUTED BY
YEARS OF CREDITED SERVICE AS OF JANUARY 1, 2006
ELECTED OFFICIALS

Years of Service	Men		Women	
	Number	Compensation	Number	Compensation
1	1	\$ 52,960	2	\$ 105,920
2	2	135,388	1	52,960
3	5	420,291		
5	1	52,960		
7	1	52,960		
10	1	106,275		
12	1	52,960		
13	3	180,545	1	52,960
15	1	52,960		
17			1	52,960
18	2	132,087		
25	1	82,428		
30	1	52,960		
40	1	120,396		
Total	21	\$ 1,495,167	5	\$ 264,799

TABLE VIII-I

**THE NUMBER AND ANNUAL BENEFITS PAYABLE TO
ALL MEMBERS RECEIVING BENEFITS
AS OF JANUARY 1, 2006**

Age	Men		Women	
	Number	Annuities	Number	Annuities
15	2	\$ 36,000		
16	1	18,000		
19			1	\$ 18,000
20			1	5,305
21			1	18,000
24	1	18,000	2	36,000
25	1	18,000		
26	1	18,000	1	18,000
27			1	18,000
29			2	36,000
30	1	18,000	1	18,000
31			2	36,000
33			1	1,841
34			1	18,000
36	1	21,991	1	18,000
37	1	5,466		
39	2	47,647		
40	1	32,350	1	7,647
41	2	34,003	4	53,350
42			3	54,056
43			4	111,478
44	2	22,957	3	44,988
45			3	47,689
46	2	56,631	2	48,964
47	5	76,308	3	71,702
48	2	14,678	4	24,543
49	6	135,372	7	128,497
50	12	338,143	9	249,217
51	15	366,760	15	391,654
52	29	906,805	30	730,647
53	40	1,290,194	51	1,216,143
54	56	1,754,206	60	1,522,387
55	66	1,963,145	82	1,879,051
56	90	2,326,349	73	1,545,508
57	106	3,232,371	104	2,163,374
58	106	2,820,811	93	2,100,852
59	123	3,466,867	115	2,577,928
60	84	2,357,448	104	2,191,429
61	107	2,372,108	109	1,945,616
62	85	2,074,632	122	1,914,231

TABLE VIII-I

**THE NUMBER AND ANNUAL BENEFITS PAYABLE TO
ALL MEMBERS RECEIVING BENEFITS
AS OF JANUARY 1, 2006**

Age	Men		Women	
	Number	Annuities	Number	Annuities
63	99	\$ 2,351,690	137	\$ 2,091,696
64	96	2,371,521	115	1,860,039
65	93	2,098,345	107	1,774,037
66	88	1,843,716	113	1,637,980
67	87	1,959,235	118	1,815,230
68	78	1,884,896	118	1,745,319
69	85	1,634,904	118	1,489,491
70	89	1,941,950	135	2,005,108
71	73	1,634,921	129	1,839,196
72	77	1,903,579	111	1,567,521
73	87	1,795,547	129	1,765,452
74	89	1,984,681	96	1,115,453
75	82	1,494,260	137	1,844,476
76	76	1,523,649	152	1,836,732
77	77	1,461,323	131	1,549,881
78	79	1,475,510	130	1,457,991
79	67	1,264,072	145	1,511,074
80	71	1,351,339	126	1,401,650
81	67	1,135,122	114	1,076,874
82	63	987,003	126	1,250,209
83	51	734,282	115	971,266
84	55	828,812	107	977,504
85	42	615,481	112	819,420
86	37	402,747	84	612,756
87	24	357,748	88	671,407
88	16	185,372	87	605,998
89	19	253,130	60	399,786
90	17	158,798	55	323,491
91	10	91,548	52	297,146
92	9	88,850	27	128,799
93	5	39,750	33	171,107
94	2	23,156	24	100,272
95	6	61,043	18	94,280
96	5	20,602	7	27,363
97	1	3,740	7	37,537
98	2	10,907	12	84,361
99	1	4,050	5	25,949
100	1	932	1	10,465
101			1	1,116
103			1	3,048
Total	2,876	\$ 63,821,452	4,399	\$ 60,260,575

TABLE VIII-J
THE NUMBER AND ANNUAL BENEFITS PAYABLE TO
RETIRED MEMBERS
AS OF JANUARY 1, 2006

Age	Men		Women	
	Number	Annuities	Number	Annuities
49	2	\$ 64,594	2	\$ 67,727
50	8	273,957	6	180,721
51	11	309,366	9	277,146
52	23	783,563	23	652,402
53	32	1,103,548	43	1,079,757
54	47	1,611,712	52	1,340,631
55	64	1,932,342	70	1,676,587
56	84	2,217,323	60	1,353,791
57	100	3,128,562	90	1,920,333
58	101	2,737,379	83	1,954,443
59	119	3,381,382	103	2,366,501
60	82	2,321,709	94	2,011,341
61	97	2,236,542	94	1,657,371
62	80	1,991,739	111	1,789,393
63	95	2,271,632	120	1,840,436
64	92	2,289,417	104	1,672,966
65	91	2,065,460	96	1,582,339
66	83	1,750,657	101	1,448,937
67	84	1,925,764	105	1,604,979
68	72	1,783,136	105	1,518,328
69	74	1,489,822	101	1,301,437
70	83	1,867,962	110	1,636,184
71	71	1,619,393	110	1,584,518
72	73	1,834,375	82	1,192,010
73	85	1,779,524	104	1,386,833
74	84	1,925,548	71	798,538
75	76	1,411,279	112	1,532,728
76	71	1,464,656	114	1,469,463
77	75	1,452,846	94	1,084,056
78	75	1,452,667	91	994,936
79	66	1,250,856	101	1,045,123
80	65	1,286,421	87	927,225
81	63	1,111,759	72	600,358
82	57	938,459	87	872,895
83	47	690,633	83	715,906
84	51	807,301	69	632,414
85	37	596,319	72	513,354
86	31	383,208	61	454,894
87	22	351,171	67	518,947
88	14	161,523	56	367,694

TABLE VIII-J

**THE NUMBER AND ANNUAL BENEFITS PAYABLE TO
RETIRED MEMBERS
AS OF JANUARY 1, 2006**

Age	Men		Women	
	Number	Annuities	Number	Annuities
89	18	\$ 252,600	39	\$ 268,669
90	17	158,798	38	235,918
91	9	85,985	34	223,016
92	8	86,289	20	104,062
93	3	24,833	22	123,852
94	2	23,156	17	74,309
95	5	56,187	13	73,951
96	2	7,622	4	14,064
97	1	3,740	4	12,209
98	2	10,907	8	62,914
99	1	4,050	4	24,186
100			1	10,465
101			1	1,116
103			1	3,048
Total	2,655	\$ 60,769,673	3,421	\$ 48,857,419

TABLE VIII-K

**THE NUMBER AND ANNUAL BENEFITS PAYABLE TO
BENEFICIARY MEMBERS
AS OF JANUARY 1, 2006**

Age	Men		Women	
	Number	Annuities	Number	Annuities
15	2	\$ 36,000		
16	1	18,000		
19			1	\$ 18,000
20			1	5,305
21			1	18,000
24	1	18,000	2	36,000
25	1	18,000		
26	1	18,000	1	18,000
27			1	18,000
29			2	36,000
30	1	18,000	1	18,000
31			2	36,000
33			1	1,841
34			1	18,000
36			1	18,000
37	1	5,466		
39	1	18,000		
40			1	7,647
41	1	18,000	3	27,871
42			1	18,000
43			3	82,554
44			3	44,988
45			2	27,631
46	1	18,000	1	22,922
47			2	48,392
48			4	24,543
49			2	23,559
50			1	43,641
51	1	18,000	5	94,485
52			6	62,113
53			6	89,599
54	1	18,000	5	107,766
55	1	18,000	7	97,252
56	2	21,152	8	119,456
57	1	5,283	8	138,844
58	2	21,111	6	86,420
59	2	38,838	7	144,441
60			8	140,100
61	2	25,662	7	143,092
62	3	39,700	6	57,512

TABLE VIII-K

**THE NUMBER AND ANNUAL BENEFITS PAYABLE TO
BENEFICIARY MEMBERS
AS OF JANUARY 1, 2006**

Age	Men		Women	
	Number	Annuities	Number	Annuities
63			13	\$ 198,917
64	1	\$ 18,000	5	99,723
65			7	112,937
66			9	126,228
67	1	6,995	13	210,251
68	2	22,082	11	195,784
69	7	71,829	15	160,007
70	4	39,372	24	349,429
71			17	231,949
72	1	8,852	24	312,726
73	1	449	19	281,255
74	3	18,335	21	266,178
75	5	47,275	23	281,749
76	4	44,255	38	367,269
77	2	8,477	29	369,072
78	4	22,843	37	437,754
79	1	13,216	39	413,305
80	5	45,196	38	462,460
81	4	23,362	40	448,435
82	3	14,342	36	342,873
83	2	16,964	32	255,361
84	4	21,511	37	337,292
85	5	19,162	40	306,067
86	6	19,539	23	157,863
87	1	1,140	21	152,460
88	2	23,849	31	238,304
89	1	530	21	131,116
90			16	82,217
91	1	5,562	18	74,130
92	1	2,561	7	24,738
93	2	14,917	11	47,255
94			7	25,962
95	1	4,856	5	20,329
96	3	12,980	3	13,299
97			3	25,328
98			4	21,447
99			1	1,762
100	1	932		
Total	104	\$ 940,597	855	\$ 9,477,203

TABLE VIII-L

**THE NUMBER AND ANNUAL BENEFITS PAYABLE TO
DISABLED MEMBERS
AS OF JANUARY 1, 2006**

Age	Men		Women	
	Number	Annuities	Number	Annuities
36	1	\$ 21,991		
39	1	29,647		
40	1	32,350		
41	1	16,003	1	\$ 25,478
42			2	36,056
43			1	28,924
44	2	22,957		
45			1	20,058
46	1	38,631	1	26,042
47	5	76,308	1	23,310
48	2	14,678		
49	4	70,777	3	37,211
50	4	64,186	2	24,855
51	3	39,394	1	20,023
52	6	123,242	1	16,133
53	8	186,646	2	46,787
54	8	124,494	3	73,990
55	1	12,803	5	105,212
56	4	87,874	5	72,261
57	5	98,525	6	104,196
58	3	62,321	4	59,989
59	2	46,646	5	66,987
60	2	35,739	2	39,988
61	8	109,904	8	145,153
62	2	43,193	5	67,326
63	4	80,058	4	52,342
64	3	64,104	6	87,349
65	2	32,885	4	78,760
66	5	93,059	3	62,815
67	2	26,476		
68	4	79,678	2	31,206
69	4	73,253	2	28,047
70	2	34,616	1	19,495
71	2	15,529	2	22,729
72	3	60,351	5	62,785
73	1	15,574	6	97,364
74	2	40,799	4	50,737
75	1	35,706	2	30,000
76	1	14,739		
77			8	96,753

TABLE VIII-L
THE NUMBER AND ANNUAL BENEFITS PAYABLE TO
DISABLED MEMBERS
AS OF JANUARY 1, 2006

Age	Men		Women	
	Number	Annuities	Number	Annuities
78			2	\$ 25,301
79			5	52,646
80	1	\$ 19,722	1	11,966
81			2	28,081
82	3	34,202	3	34,441
83	2	26,686		
84			1	7,798
87	1	5,436		
90			1	5,355
Total	117	\$ 2,111,182	123	\$ 1,925,953

EXHIBIT IX**GLOSSARY**

Accrued Liability	The difference between (a) the present value of future plan benefits, and (b) the present value of future normal cost. It is the portion of the present value of future plan benefits attributable to service accrued as of the valuation date. Sometimes referred to as “actuarial accrued liability.”
Accrued Service	The service credited under the plan which was rendered before the date of the actuarial valuation.
Actual Funding Contribution	The Actual Funding Contribution for a plan year is calculated using census and asset information as of the first day of the plan year, and includes Normal Cost, with interest to the end of the plan year, and a net amortization payment.
Actuarial Assumptions	Estimates of future plan experience with respect to rates of mortality, disability, turnover, retirement, rate or rates of investment income and salary increases. Decrement assumptions (rates of mortality, disability, turnover and retirement) are generally based on past experience, often modified for projected changes in conditions. Economic assumptions (salary increases and investment income) consist of an underlying rate in an inflation-free environment plus a provision for a long-term average rate of inflation.
Actuarial Cost Method	A mathematical budgeting procedure for allocating the dollar amount of the “present value of future plan benefits” between the present value of future normal cost and the accrued liability. Sometimes referred to as the “actuarial funding method.”
Actuarial Equivalent	A series of payments is called an actuarial equivalent of another series of payments if the two series have the same actuarial present value.
Actuarial Value of Assets	The value of current plan assets recognized for valuation purposes. Based on a smoothed market value that recognizes investment gains and losses over a period of three years.
Amortization	Paying off an interest-bearing liability by means of periodic payments of interest and principal, as opposed to paying it off with a lump sum payment.

EXHIBIT IX**GLOSSARY**
(Continued)

Annual Required Contribution	The Annual Required Contribution, or ARC, is the amount determined in accordance with Governmental Accounting Standards Board Statements Nos. 25 and 27.
Budget Contribution	The Budget Contribution for a year is based on census and asset information as of the first day of the PRIOR plan year, rolled forward to the next plan year based on all actuarial assumptions being met. For example, the Budget Contribution for 2007 is based on census and asset information as of January 1, 2006, rolled forward to January 1, 2007.
Contribution Variance	The difference between the Actual Contribution and the Budget Contribution for a plan year is referred to as the Contribution Variance. A Contribution Variance resulting from an overpayment is amortized over 5 years as a level dollar credit. A Contribution Variance resulting from an underpayment is amortized over 5 years as a level dollar charge.
Experience Gain (Loss)	A measure of the difference between actual experience and that expected based upon a set of actuarial assumptions during the period between two actuarial valuation dates, in accordance with the actuarial cost method being used.
Normal Cost	The annual cost assumed, under the actuarial funding method, for current and subsequent plan years. Sometimes referred to as “current service cost.”
Present Value	The amount of funds presently required to provide a payment or series of payments in the future. The present value is determined by discounting the future payments at a predetermined rate of interest, taking into account the probability of payment.
Unfunded Accrued Liability	The difference between the actuarial accrued liability and valuation assets.